



Town of Newmarket  
395 Mulock Drive P.O. Box 328,  
Newmarket, Ontario, L3Y 4X7

Email: [info@newmarket.ca](mailto:info@newmarket.ca) | Website: [newmarket.ca](http://newmarket.ca) | Phone: 905-895-5193

## **2023 Year-end Servicing Allocation Review Staff Report to Council**

Report Number: 2023-82

Department(s): Planning and Building Services

Author(s): Phoebe Chow, Senior Planner – Policy

Meeting Date: December 4, 2023

### **Recommendations**

1. That the report entitled 2023 Year-end Servicing Allocation Review dated December 4, 2023 be received; and,
2. That the conditional servicing allocation commitments for Landmark Estates (52 persons) and 281 Main Street North (40 persons) be rescinded; and,
3. That Council authorize the transfer of 66 persons of servicing capacity from Redwood Properties Phase 2 to Redwood Properties Phase 1; and,
4. That the distribution of the available servicing capacity of 5,764 persons be reviewed as part of the 2024 annual servicing allocation review; and,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **Purpose**

The purpose of this report is to provide Council with an update on the 2023 year-end available servicing capacity. As per the Town's usual practice, the distribution of servicing capacity will be reviewed in the Spring of 2024 through the annual servicing capacity review.

## **Background**

On April 17, 2023, Council received staff report [2023-23](#) titled 2023 Annual Servicing Allocation Review (2023 Annual Review report). This report will update Council on the status of a few applications that received conditional allocation and provide servicing allocation recommendations on the same.

Since the 2023 Annual Review report, the Town received additional capacity from York Region through the Inflow and Infiltration Reduction program. York Region has also recently assigned additional capacity to the Town. This report will provide an update on the 2023 year-end available capacity, and discuss future capacity assignment and its role in meeting the Town's housing target of supporting 6,400 new units by 2031.

## **Discussion**

### **Landmark Estates Has Not Fulfilled Its Condition to Register Partial Phase 5**

In the 2023 Annual Review report, Council reinstated 52 persons of servicing capacity to a portion of Landmark Estates Phase 5 (18 semi-detached units) with a condition that the 18 units must be registered by November 3, 2023. These units were not registered by the deadline and therefore staff recommend that Council rescind the previously committed 52 persons from Landmark Estates. Staff will re-evaluate the proposed development during the 2024 Annual Servicing Allocation Review.

### **281 Main Street North Has Not Fulfilled Its Condition to Register the Draft Plan of Subdivision and the Site Plan Agreement Has Not Been Executed**

In the 2023 Annual Review report, Council reinstated 40 persons of servicing capacity to the 16-unit townhouse development at 281 Main Street North, with a condition that the owner register the draft Plan of Subdivision and execute the Site Plan Agreement by November 3, 2023. These requirements were not met, and the property has since been sold. On October 11, 2023, the new landowner requested an extension to the November 3, 2023 deadline and advised that the proposal will be revised by adding three additional units. Given there are still works to be completed before the development will be ready for construction, staff recommend that Council rescind the previously committed 40 persons of servicing allocation from 281 Main Street North. Staff will re-evaluate the proposed development and any revisions necessary during the 2024 Annual Servicing Allocation Review.

### **Adjustment to Redwood Phase 1 Unit Count**

Council previously committed a total of 714 persons of servicing allocation to Redwood Properties Phases 1 and 2 (17645 Yonge Street). This servicing capacity commitment

was based on Phase 1 having 178 rental apartment units and Phase 2 having 188 rental apartment units.

The final unit count for Phase 1 has recently been increased from 178 units to 212 rental units. While the Phase 1 building footprint remains the same, the revised Phase 1 building layout contains a greater number of small units and fewer large units, resulting in the need for an additional 66 persons of servicing capacity to accommodate the additional units. Since the applicant is not moving forward with the construction of Phase 2 at this time, the total amount of servicing allocation committed to Redwood Properties (714 persons) is enough to facilitate the unit count increase of 34 units for Phase 1 (i.e., shifting 66 persons of servicing allocation from Phase 2 to Phase 1). This transfer of allocation does not affect the 2023 year-end Town Reserve balance. If there are no further adjustments to the Phase 2 building unit count, the developer will require an additional 66 persons of servicing allocation before the Holding provision for Phase 2 can be lifted. Staff will continue to monitor the progress of Phase 2 and will provide an update in the 2024 Annual Servicing Allocation Review, should Redwood require additional servicing capacity at that time.

### **43 Lundy's Lane, 592 Watson Avenue, 32, 36, 40 Bolton Avenue Site Plan Agreement**

The proposed development at 43 Lundy's Lane, 592 Watson Avenue, and 32, 36, and 40 Bolton Avenue was subject to an Ontario Land Tribunal (OLT) appeal which was settled at the OLT in June 2022. In accordance with the Minutes of Settlement, Council agreed to grant servicing allocation to the above noted development upon the execution of the Site Plan Agreement. As such, Council had authorized staff to commit 132 persons of servicing allocation to the development upon execution of the Site Plan Agreement. As of writing this report, staff are awaiting the required financial securities and fees before executing the Site Plan Agreement, therefore, no servicing allocation has been committed. Staff will continue to work with the applicant towards a fully executed Site Plan Agreement and will commit 132 persons of allocation to the development at that time as directed by Council. The Town Reserve balance will be updated when the commitment is made.

### **Inflow and Infiltration (I&I) Reduction Program Repayments**

On October 6, 2023, York Region issued the final capacity release of 152.2 persons for Shining Hill Phase 1. With the final capacity release, Shining Hill has repaid all the servicing capacity that was up-fronted by the Town (485 persons), and an additional 25% of new allocation for exclusive use by the Town (162 persons) as per the requirements of the program. The Town can use the 162 persons of allocation towards other developments within the Newmarket South Sewershed (the area generally south of Mulock Drive). The total amount of 647 persons of allocation as indicated in the tri-party agreement has been fulfilled.

York Region is reviewing a capacity release request of 361.7 persons from Marianneville Developments Limited. Staff anticipate the capacity assignment will become available by the end of this year or in early 2024. Once the Town receives this capacity release, the outstanding I&I repayment from Marianneville will be reduced from 1,811 persons to 1,450 persons.

## Current Town Reserve Balance and Available Capacity

The 2023 year-end available capacity is 5,764 persons. This is a sum of the Town Reserve balance of 2,898 persons (uncommitted allocation) and unused committed allocation from previous years of 2,866 persons (i.e., Site Plan or Draft Plan of Subdivisions that have not been registered). Details of the calculations are shown below:

	April 2023 Town Reserve Balance	2,654 Persons
	I&I Reduction Repayments (Shining Hill Phase 1)	152 Persons
	Allocation Rescinded: Landmark Estates	52 Persons
+	281 Main Street North	40 Persons
	<b>2023 Year-end Town Reserve Balance</b>	<b>2,898 Persons</b>
+	Unused Committed Allocation	2,866 Persons
	<b>2023 Year-end Available Capacity</b>	<b>5,764 Persons</b>

## York Durham Sewage System Expansion

York Region and Durham Region are working together on a long-term wastewater infrastructure project (York Region Sewage Works Project), which will upgrade the existing York Durham Sewage System (YDSS). The project involves building new or expanded wastewater sewers and pumping stations and enhancing the Duffin Creek Water Pollution Control Plant. Specifically, the project will be divided into multiple projects: North YDSS Expansion, South YDSS Expansion, and YDSS Primary System Expansion. [Phase 1 of the North YDSS Expansion](#) is anticipated to be completed between 2026 and 2028.

In accordance with the York Region [2023 Servicing Capacity Assignment](#) report, York Region is assigning 7,767 persons of additional capacity to the Town, which is expected to be released upon the completion of the Phase 1 North YDSS Expansion between 2026 and 2028.

## Future Capacity

Table 1 below shows a summary of the 2023 year-end available capacity, I&I repayment, and the amount of anticipated future capacity from York Region.

Table 1 Summary of Future Capacity

	Supply	Demand
2023 Year-end Available Capacity	5,764	
I&I Reduction Repayment (Marianneville)	1,811	
York Region Interim Solutions Capacity Release	166	
York Region Centres and Corridors Reserve	334	
<b>Subtotal</b>	<b>8,075</b>	
Phase 1 North York Durham Sewage System (YDSS) Expansion (2026 to 2028)	7,767	
<b>Total of Available + Anticipated Future Capacity</b>	<b>15,842</b>	
<b>Average Annual Servicing Capacity Commitment between 2020 and 2023</b>		<b>1,126</b>

Based on the 2023 year-end available capacity of 5,764 persons, plus the expected I&I repayment, and the release of the Interim Solutions and the Centres and Corridors Reserve (subtotal of 8,075 persons), staff estimate the Town should have sufficient servicing capacity supply to support approximately 2,800 units (mix of unit types).

With the anticipated additional capacity release from York Region upon the completion of the Phase 1 North YDSS Expansion by 2028, the Town should have sufficient capacity to support the remaining 3,600 units to meet the Council-approved housing pledge of 6,400 new units by 2031. However, if Phase 1 of the North YDSS Expansion is delayed, then construction activities leading up to the final years of the 2031 housing target would come under even greater pressure, if they can be delivered at all.

## Servicing Allocation Policy

On [October 30, 2023](#), Council adopted a municipal housing target of supporting 6,400 new units by 2031, of which, 1,250 units will be rental units, and 400 units will be non-profit/subsidized housing. In addition to supporting more housing units overall, increasing the number of affordable units continues to be a goal for the Town. The [Town's Servicing Allocation Policy](#) was amended in 2018 by adding affordable housing units as one of the criteria in servicing allocation review.

Staff will continue to prioritize developments that provide rental or affordable housing units when evaluating servicing allocation requests in accordance with the [Town's Servicing Allocation Policy](#). Staff intend to provide more specific rental/affordable housing requirements upon the completion of the Town's Housing Needs Assessment/Inclusionary Zoning Assessment that is currently underway.

## **Conclusion**

The 2023 year-end available capacity is 5,764 persons. As per regular process, staff will provide recommendations on servicing allocation for current development applications in the Annual Servicing Allocation Report in Q2 2024.

## **Business Plan and Strategic Plan Linkages**

- Extraordinary places and spaces

## **Consultation**

York Region staff was consulted regarding future capacity from the North YDSS Expansion.

## **Human Resource Considerations**

None

## **Budget Impact**

None

## **Attachments**

None

## **Submitted by**

Phoebe Chow, Senior Planner – Policy

## **Approved for Submission**

Adrian Cammaert, Manager, Planning Services

Jason Unger, Director, Planning and Building Services

Peter Noehammer, Commissioner, Development & Infrastructure Services

## **Contact**

Phoebe Chow, Senior Planner – Policy